

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**ADMINISTRATIVE RULE  
FISCAL IMPACT STATEMENT**

**PROPOSED RULE:** 00-58

**STATE AGENCY:** State Board of Animal Health

**DATE PREPARED:** Jun 27, 2000

**DATE RECEIVED:** Jun 2, 2000

**FISCAL ANALYST:** John Parkey

**PHONE NUMBER:** 232-9854

**Digest of Proposed Rule:** This proposed rule adds 345 IAC 1-3-6.5 to require cattle, bison, goats, cervids and camelids entering Indiana from Michigan be tested for Tuberculosis prior to entry into Indiana and retested for Tuberculosis after entering Indiana. The rule also prohibits the entry of certain animals originating from Michigan. The rule makes other changes related to Tuberculosis control. The rule is effective 30 days after filing with the Secretary of State.

**Governmental Entities:**

State: The proposed rule places no unfunded mandates upon state government nor is the rule expected to have a significant fiscal impact on the Board of Animal Health.

Local: The proposed rule does not have a local fiscal impact. It places no unfunded mandates upon local political subdivisions.

**Regulated Entities:** The proposed rule affects entities which produce or market cattle, bison, goats, cervids, and camelids. The rule prohibits the movement of animals from a specified quarantined region in Michigan into Indiana. The rule also requires producers in other parts of Michigan outside the quarantined region to test their entire herd for Tuberculosis within twelve months of moving animals into Indiana and to test those individual animals to be transported to Indiana within 60 days prior to their shipment. The rule also requires these animals to be retested within 90 to 120 days of their entry into the state.

According to Board of Animal Health records, approximately 4,000 head of cattle are sent from Michigan into Indiana each year. With a Tuberculosis test costing approximately \$10.00, the estimated cost of the proposed rule to Michigan cattle producers would be approximately \$40,000 (4,000 X \$10) per year.

Approximately 3,000 of the 4,000 head of cattle transported from Michigan each year are expected to require an additional Tuberculosis test, at an estimated yearly cost of \$30,000 (3,000 X \$10).

Other species affected by the proposed rule are bison, cervids, goats, and camelids. Approximately 1,500 of these animals are transported to Indiana from Michigan each year. The cost of testing and retesting these animals for Tuberculosis is estimated to be approximately \$30,000 (1,500 X \$10 X 2) each year.

The total estimated cost of the rule change to certain livestock producers is estimated to be \$100,000 each year.

In addition to the livestock producers affected above, the proposed rule is also expected to impact cattle markets in the northern part of the state. If fewer Michigan cattle are imported into Indiana, cattle market operators may perform fewer sales and thereby receive fewer commissions.

*Background Information:*

Since 1995, the State of Michigan has diagnosed Tuberculosis in 285 deer, eight cattle herds, and one captive deer farm. The Tuberculosis outbreak had been contained in a quarantined region in the northeaster corner of Michigan's Lower Peninsula. Recently, however, animals testing positive for Tuberculosis were found in three counties outside the northeast quarantine region.

The Indiana Board of Animal Health adopted the provisions of this proposed rule as an emergency rule on April 27, 2000.

**Information Sources:** Gary L. Haynes, Director of Legal Affairs, Indiana State Board of Animal Health, (317) 227-0345. Bob Bender, Coordinator, Michigan's Bovine TB Eradication Project, (517) 241-2994.